

21st century full-service marketing agencies - still the best option?

 By [Sanele Mgaga](#)

28 May 2014

Before I begin, let me start off with a very simple and hopefully not too scary statement...

First and foremost, I have never worked in a media, creative, strategic or any other agency for that matter. Moreover, due to the fact that I work for a media owner as a media strategist, I more often than not only get to fully interact with and understand one medium. (Well sometimes more than one, but most times just the one.) Nevertheless, I have my own views on how the industry generally operates.

My views are based mainly on my personal observations and learnings of the industry as a whole and deductions thereof, as well as my interactions with colleagues with extensive industry experience, from brand, agency and other media owners. In addition, my deductions on what will follow are certainly based also on my interactions and conversations with current and former industry stalwarts, as well as newcomers who work in different spheres of the industry. So before you get a fit, yes this piece is based on MY views, and the fact that I've only been here for just a couple of years doesn't help either, huh?

Well, in mitigation, I have picked up a lot from those in the industry with whom I have come into contact.

FSAs - filling a gap? Relevant?

Anyway, back to the thoughts marching like soldiers in my head, one question has kept me kind of sleepless for a couple of months now: Are full-service agencies still relevant today and if so, what gap do they fill?



(Image: Henri Pontes, via Wikimedia Commons)

When asked what my career long-term goal is, I always think "I'd love to have and/or run a full-service agency that will focus on handling any brand's entire marketing function, from marketing strategy development (including brand strategy, media strategy, etc), all the way down to actually implementing the strategy for the client, and doing a post-campaign analysis for case studies..."

But usually I give some "do-able" answer that won't make people give me an awkward look like they just ate a piece of lemon. Hence, I've wondered, as much as I (and I'm sure may others out there, hopefully) love the idea of providing full-service marketing solutions to clients, is such an industry still relevant, is there still space, time, money, etc for such an agency?

And the answer is...

According to the American Marketing Association, "Marketing is the activity, set of institutions, and processes for **creating, communicating, delivering, and exchanging offerings that have value** for customers, clients, partners, and society at large." The way I understand this definition is that marketing basically involves understanding a client's business, and then developing marketing strategies, coming up with implementation strategies that look to answer clients "needs", and reaching their objectives. From what I understand, it basically also means assisting in the delivery and implementation of those strategies. The way I see it, if a company has one agency that understands their business and long-term strategic focus fully, that company has got an advantage over its competitors (on the marketing side of things of course) due to the fact that, well, it eliminates red-tape from the process, which speeds up the process of going to market.

A company that has a separate brand strategy agency, a separate media agency, separate creative agency, events, etc then ends up having to brief different people, who conceptualise and understand the briefs differently, which can delay the process due to the to-ing-and-fro-ing, which ends up happening, and can end up with misunderstandings on the part of the different parties involved. Moreover, from a monetary perspective, having different agencies on your retainer can end up costing more than a single full-service agency might cost. The concept of "economies of scale" comes to play here...

Buy in bulk, get a better discount. As long as the firm's marketing teams and the agency's personnel understand where each of them stand and have a good working relationship, the opportunities are endless.

Looking for those that 'excel'

Now, playing devil's advocate, on the other end of the spectrum, firms are looking for expertise and diversity. It feels so much better to know that you have an agency that has been "excelling in media solutions..." for over so many years, focused on your media solutions, while the others that have extensive expertise and experience in branding, are focused on your firm's brand strategy and so on. Retaining different specialist agencies adds to the diverse creativity and strategic focus. As the saying goes, "two heads are better than one". However, though the flexibility, diversity and expertise is brilliant, this process (as mentioned above), often delays the process and can end up being too costly for clients.

When looking at both scenarios, it really is a hard decision for the 21st century marketer as you need to work with agencies that fully understand and fully comprehend your direction, yet you're looking for innovative and diverse thinking from your service providers. Both scenarios have their pros and cons and both provide both opportunities and challenges for any marketer. I guess it depends on the chief marketing executive's goals and objectives, as well as the budget the chief accountant chooses to give them.

So does the question remain unanswered? Is a single full-service agency a better option than a number of specialist agencies?

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